



**Statement before the House Foreign Affairs
Subcommittee on Asia, the Pacific, and Nonproliferation**

***“Taiwan and the United States: Enduring
Bonds in the Face of Adversity.”***

A Testimony by:

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Chairman Bera, Ranking Member Yoho, and distinguished members of the Subcommittee, thank you for the opportunity to testify before you on the topic of “Taiwan and the United States: Enduring Bonds in the Face of Adversity.” Taiwan’s well-being is critically important to the United States and its future will impact U.S. national interests in the realm of values, economic prosperity, and security. While some countries that transitioned from dictatorship to democracy along with Taiwan in the 1980s and 1990s have suffered democratic backsliding, Taiwan’s democracy has become more robust and is now among the most progressive globally. Its score of 93 out of 100 in the 2019 Freedom House in the World report places Taiwan second in Asia behind only Japan. By contrast, China was rated “not free” with a score of 10, placing it among the world’s most repressive regimes. In addition to a vibrant civil society, which includes active religious and labor rights organizations, Taiwan is the first country in Asia to legalize same-sex marriage and leads the region in gender equality in its legislature. Women account for 41.6 percent of Taiwan’s lawmakers.

Taiwan’s democratic achievements are impressive. Especially noteworthy is its ongoing efforts to strengthen its democracy in the face of growing Chinese pressure and interference through disinformation, cyberattacks, economic coercion, and military intimidation. It is in U.S. interests to help create an environment in which Taiwan can protect its freedoms and further consolidate its democracy so that it continues to set an example to China and the entire world about the resilience of democratic values in the face of Chinese intimidation.

Taiwan’s importance to U.S. economic prosperity and competitiveness is significant and growing. Taiwan is now the ninth largest trading partner of the United States. In 2019, it was the seventh largest U.S. agriculture export market by value and ranked in the top ten markets for U.S. beef, soybeans, poultry, corn, and fruit. In 2017, the total stock of U.S. FDI in Taiwan reached \$17.0 billion, and Taiwan’s total stock of FDI in the United States reached \$8.1 billion. As one of the world’s leading producers of advanced information and communications technologies, including semiconductors, Taiwan is a critical node in global supply chains. Strengthening U.S. innovation to ensure that the U.S. remains a leader in the strategic technologies of the twenty-first century will be aided by deepening supply chain and R&D integration with Taiwan. A U.S.-Taiwan free trade agreement (FTA) would promote security and economic growth for the United States, Taiwan, and the Indo-Pacific as a whole.

Taiwan’s geographic position makes it central to the competition for power and influence in the Indo-Pacific. Situated in the middle of the first island chain that stretches from Japan to the Philippines, Taiwan is part of a strategically important barrier to PRC power projection. Chinese occupation of the island would enable the PLA to operate more freely in the Pacific and put Japan’s security in jeopardy. If the U.S. permitted this to occur, it would alter the strategic balance in the Indo-Pacific, destroy confidence in U.S. security guarantees, and potentially deal a fateful blow to U.S. alliances in the region.

Fortunately, Taiwan’s importance to the United States is increasingly recognized by Americans. A survey conducted by the Center for Strategic and International Studies (CSIS) this past summer found that Americans are prepared to take substantial risk to defend Taiwan. Asked to gauge on a scale of 1 (no risk) to 10 (significant risk) how much risk the U.S. should incur to defend allies and partners in the Asia-Pacific should they come under threat from China, respondents from the

U.S. public had a mean score of 6.69 for defending Taiwan, comparable to Japan (6.88) and South Korea (6.92), and less than Australia (6.38). A 2020 Chicago Council on Global Affairs poll found that only 41 percent of Americans backed military action in the event of a Chinese invasion of Taiwan. While that is less than a majority, it is nevertheless the highest level of support for Taiwan's defense in the 28 years that the CCGA has posed the question to the public. In addition, bipartisan support for Taiwan in the U.S. Congress has never been stronger.

U.S.-Taiwan Relations Under the Trump Administration

The Trump administration has implemented policies toward Taiwan that have strengthened bilateral relations. Arms sales, support for Taiwan's participation in international organizations, democracy promotion and religious freedom programs, high-level visits, and public statements of support for Taiwan's achievements—such as combatting the spread of the COVID-19 pandemic—have bolstered U.S.-Taiwan ties, and increased the confidence of Taiwan's government and public in the United States. The Taiwan Travel Act, the Asia Reassurance Initiative Act (2018), and the Taiwan Allies International Protection and Enhancement Initiative (TAIPEI) Act demonstrated that Taiwan has the steadfast support of the U.S. Congress.

Defense

The growing Chinese military threat to Taiwan, especially persistent PLA Air force operations in Taiwan's air defense identification zone (ADIZ) and across the Taiwan Strait centerline, has prompted a robust U.S. response. Arms sales to Taiwan have become more frequent, regularized, and substantive under the Trump administration. In the past four years, the U.S. has sold more than \$18 billion in weapons to Taiwan, including new F-16 fighter aircraft and Standoff Land Attack Missile Expanded Response (SLAM_ER) missiles. Through these sales and other means, the U.S. has supported Taiwan's Overall Defense Concept (ODC), which focuses on using asymmetric warfare capabilities to deter and, if necessary, defeat a PLA invasion. Visits by U.S. DoD officials and general officers to Taiwan have increased. In November 2019, Deputy Assistant Secretary Heino Klinck became the highest-ranking Pentagon official to visit Taiwan since 1979, when official U.S.-Taiwan relations ended. The DoD Indo-Pacific Report, released in June 2019, included Taiwan as one of the U.S.' "reliable, capable, and natural partners," along with Singapore, New Zealand, and Mongolia.

International Space

As Beijing stepped up efforts to prevent Taiwan from participating in international organizations, and to poach Taipei's diplomatic partners, the Trump administration has sustained and launched new joint and multilateral initiatives with Taiwan to enable expanded interaction with other countries. The Global Cooperation Training Framework (GCTF), a platform that enables Taiwan to provide governance training to foreign experts from governments, the private sector, and civil society, has been multilateralized and expanded geographically. Japan became an official GCTF partner in March 2019, co-hosting all subsequent workshops and participating in annual joint committee planning meetings. Sweden co-hosted a GCTF workshop in September 2019 and Australia participated in a workshop in November 2019. That same year, the first workshop held outside Taiwan took place in Palau.

The Department of State has re-doubled its efforts to coordinate policies with like-minded countries to expand Taiwan's role in key international organizations. Joint actions taken by the U.S. and select democratic partners include a collective demarche and a joint letter to the World Health Organization (WHO) to request the reinstatement of Taiwan's observer status in the WHO's decision making body, the World Health Assembly. The leaders of the House and Senate foreign affairs committees wrote to nearly 60 countries this past May asking them to support Taiwan's participation in the WHO. The democratic coalition of countries successfully pushed for Taiwan to be included in the COVAX vaccine alliance, led by the WHO, which was established to develop and distribute effective COVID-19 vaccines.

Diplomatic Coordination and Cooperation

The Trump administration has included Taiwan in its Indo-Pacific strategy and created new mechanisms to strengthen U.S.-Taiwan cooperation toward shared objectives in the Indo-Pacific region. The Indo-Pacific Transparency Initiative, announced by Vice President Pence at the 2018 APEC CEO Summit and launched in September 2019, incorporates GCTF workshops and other U.S.-Taiwan cooperation platforms such as the annual U.S.-Taiwan Consultations on Democratic Governance in the Indo-Pacific Region. The first meeting in September 2019 resulted in agreement to advance good governance, human rights, and anti-corruption efforts in the region.

The U.S. has forged close cooperation with Taiwan on global health during the COVID-19 pandemic. In March 2020, the two countries signed a joint statement to strengthen collaboration on COVID-19 research and responses. Five months later, U.S. Health and Human Services Secretary Alex Azar visited Taiwan and signed a joint statement with his counterpart Taiwan Minister of Health and Welfare Chen Shih-chung aimed at further expanding cooperation.

In October 2020, the U.S. and Taiwan inked a deal to cooperate on infrastructure development in countries in Southeast Asia and Latin America that is aimed at reshaping global supply chains and reducing their dependence on China. The initiative includes infrastructure finance and market building that could help Taiwan gain more investment opportunities and develop ties with countries that have official diplomatic ties with Beijing.

Economic and Trade Ties

For most of the Trump administration, the economic and trade relationship with Taiwan received scant attention. A positive step was taken at the end of August, when Assistant Secretary of State for East Asia David Stilwell announced the establishment of a bilateral economic dialogue focusing on semiconductors, healthcare, and energy. The inaugural meeting of what was dubbed the U.S.-Taiwan Economic Prosperity Partnership (EPP) Dialogue took place in mid-November.

While the platform provides an opportunity to expand bilateral cooperation on important issues of shared concern, the EPP Dialogue is not a substitute for trade negotiations. The Trump administration to date has not held a single meeting of the Trade and Investment Framework Agreement (TIFA) council, which has served as the primary platform for U.S.-Taiwan economic and trade since 1994. It is likely that the Trump administration's intense focus on trade negotiations with China and persisting USTR frustration over Taiwan's failure to resolve outstanding beef and pork issues were the main reasons for the decision to not convene trade talks with Taipei. President Tsai Ing-wen's August 2020 announcement of her intention to lift remaining restrictions on

imports of American beef and pork removed a key hurdle to the resumption of trade negotiations. In December 2019, 161 Members of Congress petitioned the USTR to respond favorably to Taipei's call to launch talks aimed at signing an FTA. The lack of progress in the trade arena and unwillingness to work toward a bilateral FTA is inconsistent with the Trump administration's commitment to strengthening U.S.-Taiwan relations in the security and diplomacy realms.

Poor Coordination/Consultation Harms Taiwan's Security

Overall, Trump administration policies have been favorable to Taipei and strengthened bilateral relations, but some actions have imposed costs on Taiwan and harmed its interests. For example, the U.S. decision to withdraw from the Transpacific Partnership (TPP) reduced Taiwan's prospects of joining what was set to be the world's largest free trade agreement, covering 40 percent of the global economy. The imposition of tariffs on imports of aluminum and steel also hurt Taiwan-based companies that manufacture or assemble in mainland China. To be sure, Taiwan wasn't the target of these decisions, but its interests were nonetheless damaged.

In a few cases, U.S. policies toward Taiwan have appeared intended to irritate Beijing. For example, the Trump administration's decision to encourage Taipei to make public a visit to Washington D.C. in May 2019 by David Lee, then head of Taiwan's National Security Council, after initially insisting that it be kept under wraps, seemed aimed at angering China. Similar visits in prior administrations were kept secret. Including Taiwan in any strategy to contain China's rise or even to spotlight the oppressiveness of the Chinese Communist Party would validate China's suspicion that the U.S. supports Taiwan's independence and suggest that Taiwan is a tool to achieve U.S. policy goals rather than a valued partner.

Other steps with potentially significant consequences for Taiwan's security were likely taken without consulting the Tsai administration. A February 2019 joint letter by a group of U.S. senators to House of Representatives Speaker Nancy Pelosi calling on her to invite President Tsai Ing-wen to address a joint session of U.S. Congress placed Tsai in an awkward position. Taiwan's Foreign Ministry spokesman expressed gratitude for U.S. Congressional support but indicated that President Tsai had no plans to visit Washington D.C. In another instance, the June 2019 DoD Indo-Pacific Report marked the first time ever that Taiwan was referred to as a country in an official U.S. document. Yet Taipei appeared to have no knowledge about this new language prior to the report's release. Since Taiwan is invariably the target of Chinese retaliatory actions, it is essential to coordinate closely and consult with Taipei prior to any shift, no matter how slight, in the U.S. approach to cross-strait issues. Timely signals of U.S. support are important to shore up the confidence of Taiwan's government and public, but the central focus of U.S. policy toward Taiwan should be on substantive actions that meaningfully enhance Taiwan's security and prosperity.

Policy Recommendations for the Next Administration

The incoming Biden administration inherits a robust U.S.-Taiwan relationship with potential for further growth in the coming years. The United States and Taiwan share similar visions of a secure and prosperous Indo-Pacific that is buttressed by the rules-based international order. Both are concerned about China's growing use of political, economic, and military coercion; the expansion of Chinese military capabilities; Chinese disinformation and political interference; and Chinese illicit practices to procure advanced technology.

There is currently a high level of mutual trust between Washington and Taipei. President Tsai Ing-wen's moderate, nonprovocative, and consistent policies toward China have justly earned the respect and confidence of Washington. Under President Tsai's leadership, Taiwan can be counted on to be a reliable and effective partner. The U.S. must consistently treat Taiwan as a valued partner, not a weapon to be used in its competition with China. A guiding principle of U.S. policy toward Taiwan should be to "do no harm." The potential risks and benefits of a shift in policy or new initiatives should be carefully weighed in consultation with Taipei.

Rising concern about China's strategic ambitions among a growing number of like-minded countries creates opportunities to build a coalition to support Taiwan's participation in international organizations. To secure the backing of U.S. allies in this endeavor, Washington must pursue predictable policies that contribute to cross-Straits and regional stability.

CSIS recently issued a report titled ["Toward a Stronger U.S.-Taiwan Partnership."](#) The report is the product of a bipartisan task force, which I co-chaired, that convened monthly from January to August of 2020 to examine the state of U.S.-Taiwan relations and provide actionable policy recommendations for the coming four years and beyond. Below are some of those recommendations.

Economics and Technology

The economic and technology components of the U.S.-Taiwan relationship have long-term strategic significance and thus, going forward, should be assigned greater priority. An economically strong Taiwan is key to reducing its vulnerability to coercion and is an essential component of its security. The United States should take steps to strengthen the bilateral trade and investment relationship with Taiwan and to deepen Taiwan's economic integration with other key trading partners. The next U.S. administration should take the following actions:

- Respond immediately to these important steps by Taiwan by formally agreeing to initiate exploratory talks for a bilateral trade agreement (BTA), with the goal of launching formal negotiations as soon as possible.
- Utilize the recently-announced U.S.-Taiwan Economic Prosperity Partnership Dialogue to expand and elevate bilateral cooperation with Taiwan on a range of issues that fall outside of trade negotiations, such as technology security, global supply chains, cyber-enabled economic espionage, labor markets, and energy supply.
- Bring Taiwan into plurilateral discussions on export controls, cybersecurity, and IT supply chain issues that the United States is holding with other like-minded partners, such as Australia and Japan.

Defense and Security

As the military threat from the PRC intensifies, it is imperative that the United States work with Taiwan to enhance the ability to deter Chinese aggression and coercion. The U.S. should take the following steps:

- Undertake a high-level, interagency, comprehensive review of Taiwan's security, to include, among other things

- A rigorous evaluation of the PRC's current and future capabilities to undertake various kinds of military campaigns and to frustrate any intervention by the United States.
 - An assessment of the PRC leadership's predilection to use force to accomplish its unification objectives, despite the costs and risks, to include whether it has other options to achieve its objectives that are below the threshold of war.
 - An examination of the present and future capabilities of the United States and Taiwan to respond to the array of potential PLA campaigns against Taiwan, including the obstacles posed by China's A2/AD assets.
 - An evaluation of the present and future capabilities of the Taiwan military to resist a PLA attack for sufficient time for the U.S. armed forces to intervene in force, to include resources available to build those capabilities and the likely degree of public support for a protracted conflict.
- Based on that comprehensive review, develop a new set of tools to enhance deterrence and better shape the intentions of PRC leaders, including by upgrading U.S. military capabilities and improving diplomatic and military channels to communicate U.S. intentions clearly in a crisis. The United States should also consider whether its existing declaratory policy on "strategic ambiguity" is enough for the purposes of deterrence messaging. It should evaluate whether U.S. military capabilities give that declaratory policy credibility and whether a change in declaratory policy would stand the test of time as new leaders come on the scene in Taipei.
- Encourage Taiwan to make decisions regarding defense planning, training, and procurements that further strengthen deterrence and demonstrate Taiwan's determination to defend itself. This should include sustained defense spending that is linked to the level of threat Taiwan faces and the scale of investment needed to strengthen its ability to defend itself.
- Defense articles and services provided should include survivable, sustainable, and effective capabilities that would undermine PLA efforts to invade or coerce Taiwan; this includes systems capable of conducting distributed, mobile operations in an austere, contested environment.
- Dispatch military officers and civilian defense officials to Taiwan as needed based on expertise required and purpose, not rank or title.
- Help train civilian defense experts from various political parties in Taiwan by inviting promising candidates to participate in American programs such as the Asia-Pacific Center for Security Studies (APCSS) and the State Department's International Visitor Program.
 - Increase funding for International Military Education and Training (IMET) to enable more civilians from Taiwan to study defense issues in the United States.

Multilateral Initiatives

- Include representatives from Japan and Australia in initiatives to experiment with, exercise, and practice innovative concepts of operations and identify necessary capabilities to blunt potential armed aggression by the PLA along the First Island Chain.

- Establish a multilateral defense mechanism to coordinate policies, share assessments, and discuss challenges and opportunities for cooperation and coordination among the United States, Taiwan, and key U.S. allies and partners.
- Include cross-strait scenarios in defense cooperation, capabilities building, and intelligence sharing with Japan and Australia.

Bilateral and Multilateral Diplomacy

The United States should direct its diplomats both at home and abroad to promote cooperation with Taiwan and to assist Taipei in strengthening its relationships with other countries. The should take the following steps:

Strengthen opportunities for communication between senior officials from the United States and Taiwan, including at the cabinet and sub-cabinet level, on issues of importance to both sides.

Dispatch the chair of the American Institute in Taiwan (AIT) or the deputy assistant secretary of state for China, Mongolia, and Taiwan for consultations with key U.S. allies and partners to explain and align a more robust U.S.-led multilateral approach to supporting Taiwan.

Increase efforts to expand the Global Cooperation Training Framework (GCTF) to include more like-minded countries and a broadened range of issues.

Seek new opportunities to cooperate with Taiwan to promote civil and political rights internationally, including but not limited to freedoms of religion, expression, assembly, and association.

Expand cooperation between Taiwan and the U.S. International Development Finance Corporation (DFC) and include Taiwan in the Blue Dot Network.

Create a platform that would enable Taiwan to share with like-minded countries lessons learned and best practices for countering political influence and election interference operations, cyber intrusions, and other threats that subvert democracy.

International Organizations

Promoting Taiwan's participation in international organizations benefits the United States by leveraging Taiwan's contributions to international public goods, reducing Taiwan's isolation, and adding a voice or vote that often aligns with U.S. interests. To this end, the United States should develop creative and effective ways to expand Taiwan's role in international organizations where Taiwan has expertise that can benefit the international community. The U.S. should take the following actions:

- Direct the State Department to prepare a white paper that makes the legal case for Taiwan's less-than-membership participation in IGOs for which statehood is a requirement for membership and how that participation is consistent with U.S. policy.
- Strengthen coalitions with like-minded countries and take joint actions aimed at expanding Taiwan's participation in key international organizations.

- Encourage G7 members to issue a joint statement supporting Taiwan's reinstatement as an observer to the WHA and its ability to participate meaningfully in, or become a member of (where possible), other international organizations.

The U.S. Congress

The U.S. Congress plays a crucial role in U.S.-Taiwan relations. Legislation such as the Taiwan Travel Act and the TAIPEI Act have sent important signals of U.S. support for Taiwan. Taiwan-related provisions in the annual National Defense Authorization Act (NDAA) have also ensured that the Taiwan Relations Act is fully implemented and that the United States takes the necessary measures to respond to threats to Taiwan's security. Going forward, Congress should strengthen engagement with Taiwan and adopt legislation or policies that enhance the U.S.-Taiwan relationship. In particular, Congress should consider the following steps:

- Include Taiwan as a standard destination of Asia regional travel for Congressional delegations, especially delegations that are visiting the PRC.
- Ensure that congressional delegations meet with delegates from Taiwan on the sidelines of international meetings, especially in the Indo-Pacific region.
- Encourage key congressional committees in both chambers of Congress to convene at least one hearing annually devoted to Taiwan. In some cases, joint hearings between subcommittees focused on specific issues would be effective forums for education and collaboration on cross-jurisdictional issues.
 - U.S. officials from the Departments of State and Defense should be asked to testify, providing an opportunity for authoritative policy statements that signal to Taiwan, China, and the rest of the world that Congress and the administration attach importance to Taiwan.
- Seek opportunities to explain to governments, media, and the public (where possible) in China and Taiwan about the U.S. legislative process, including how to track the progress of bills and how to interpret the contents and effects of specific legislation.
- Increase funding for Fulbright Taiwan (Foundation for Scholarly Exchange) and other initiatives that promote U.S.-Taiwan academic exchanges.